PUBLIC GUARDIAN AND TRUSTEE

SERVICE DELIVERY PLAN

April 1, 2013 – March 31, 2016

PUBLIC GUARDIAN
AND TRUSTEE OF
BRITISH COLUMBIA

Updated March 19, 2013

LIBRARY AND ARCHIVES CANADA CATALOGING IN PUBLICATION DATA

Public Guardian and Trustee of British Columbia.
Service delivery plan. – April 1, 2013/March 31, 2016

Annual.
Continues: Public Guardian and Trustee of British Columbia.
Corporate performance plan.

ISSN 1718-3316 = Service delivery plan (Public Guardian and Trustee of British Columbia)
1. Public Guardian and Trustee of British Columbia –
Periodicals. I. Title.

KEB299.3.P82 344.711'0412 C2006-960011-2
KF1347.P82

Transmittal and Approval Letters

To: The Honourable Shirley Bond
Minister of Justice and Attorney General

I have the honour of delivering this Service Delivery Plan for the Public Guardian and Trustee in accordance with the provisions of s. 22 of the *Public Guardian and Trustee Act*.

This updated plan covers the period April 1, 2013 to March 31, 2016. This plan has been prepared under my direction and all material fiscal assumptions and policy decisions as of March 19, 2013 have been considered in preparing it. I am accountable for the basis on which the plan has been prepared.

_____ _____

Catherine M. Romanko
Public Guardian and Trustee

Date

To: Catherine M. Romanko
Public Guardian and Trustee

Pursuant to s. 22 (3) of the *Public Guardian and Trustee Act*, I approve the Service Delivery Plan 2013 – 2016 for the Public Guardian and Trustee.

_____ _____

Minister of Justice and Attorney General

Date

Pursuant to s. 22 (3) of the *Public Guardian and Trustee Act*, the attached Service Delivery Plan 2013 – 2016 for the Public Guardian and Trustee has been approved by Treasury Board.

_____ _____

Chair of Treasury Board

Date

Message from the Public Guardian and Trustee

I am pleased to present the Service Delivery Plan of the Public Guardian and Trustee (PGT) for the period April 1, 2013 to March 31, 2016.

This three year service delivery plan will span a period of continuing and substantial challenges and change that will impact all major PGT program areas. Implementing new legislation will be the source of greatest change for the organization.

The *Family Law Act* came into force on March 18, 2013. This Act modernizes the law respecting parenting, family relationships and property rights and requires the PGT to incorporate new approaches to the management of client affairs. It also creates a scheme for management of children's property and creates an obligation for the PGT to provide comments to the court regarding the appointment of trustees for children's property.

The *Limitation Act* will come into force in June 2013 creating limitation periods for civil claims. This will impact the manner in which the PGT serves its clients as litigation guardian in a wide range of legal activity.

The *Wills, Estates and Succession Act* is expected to come into force during the period covered by this service delivery plan. This statute will fundamentally change the way that the estates of deceased persons are administered in BC and will impact the PGT role as executor and administrator.

The PGT also anticipates the coming into force of care facility admission legislation that will create a legal scheme under which substitute consent can be given for admission to care facilities on behalf of incapable adults who are unable to provide legal consent. The PGT will have new roles under this statute.

During the period of this plan, the PGT anticipates that the government will act on the commitment it has made to the Ombudsperson to modernize the BC statutory guardianship framework. Funding implications will be significant and the PGT will work with government to ensure that resources are available to permit the PGT to successfully implement the new adult guardianship law. To this end, the PGT will undertake a comprehensive review of all fees and commissions charged for PGT services pursuant to regulation to support a request for necessary resourcing.

The PGT will also continue to advocate for full reform of British Columbia's outdated adult guardianship law and urge government to also finally implement, with appropriate resourcing, the long delayed court and remaining guardianship provisions in the *Adult Guardianship and Planning Statutes Amendment Act*, 2007.

The provincial Budget announced a program that may create a new unfunded responsibility for the PGT with respect to its work as property guardian for children in continuing care. A new

financial benefit is available for children born in 2007 or later for whom a Registered Educational Savings Plan (RESP) is opened prior to their seventh birthday. If responsibility for establishing RESPs for children in care ultimately falls to the PGT, action will be required immediately for approximately 800 child clients. This activity will be a new line of business that will require resourcing.

The PGT will continue to press forward with its continuous improvement program to increase efficiency and effectiveness of its work and heighten accountability. It has embraced the LEAN methodology as a new approach to providing service and anticipates that this will result in improved operations by fully utilizing staff expertise in developing change.

The first programs to be redeveloped using LEAN methodology will include the implementation and administration of Registered Disability Savings Plans (RDSPs) that offer financial benefits to clients with disabilities. Establishing and administering RDSPs for clients has been resource intensive for the PGT since the federal government introduced the program. The PGT is hopeful that applying LEAN principles will reduce the administrative pressure associated with this new unfunded business line.

The responsibilities of the PGT in serving its 31,600 clients across the province of British Columbia span the legal, financial, health and social services sectors. The organization uses a client centred approach to service delivery focusing on providing respectful and balanced service which is effective but not overly intrusive.

Engaged PGT staff with their specialized expertise are a critical resource to the organization. The PGT remains committed to providing effective skills and knowledge training to staff to enable the continued provision of quality service to PGT clients.

Family and friends also play a significant role in facilitating PGT staff in supporting its varied clients. In addition, a wide range of service partners contribute to assisting the PGT in meeting client needs. I appreciate and applaud the efforts of all who contribute to this essential work and look forward to continuing to work together in supporting vulnerable British Columbians.

Catherine M. Romanko
Public Guardian and Trustee

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1. ORGANIZATIONAL OVERVIEW

The Public Guardian and Trustee (PGT) serves the most vulnerable British Columbians by providing and/or monitoring substitute financial, legal and personal decision making on their behalf. The majority of its clients are children (including those in continuing care of the province) and adults whose mental incapacity makes them vulnerable to abuse, neglect and self neglect. The PGT also administers estates of deceased and missing persons and provides trust services. PGT responsibilities span the legal, financial, health and social services sectors.

The PGT currently has 250 funded employee positions. It serves more than 31,600 clients and administers approximately $914 million of client assets. The PGT delivers service from offices in Vancouver, Victoria and Kelowna.

The PGT organizational structure is as follows:

Child and Youth Services
Reviews critical incident reports involving children in continuing care; as property guardian, pursues financial entitlements for children in continuing care; protects the legal and financial interests of minors through reviews of proposed legal settlements and statutory protective reviews; provides trust services; and acts as litigation guardian.

Services to Adults
Provides financial, legal and personal care decision making services for incapable adults; investigates reports of financial abuse of vulnerable adults; consults on possible abuse, neglect and self neglect situations; reviews accountings by private committees; makes or appoints others to make health care decisions as a temporary substitute decision maker.

Client Finance and Administrative Services
Provides client and corporate financial services including investments, receipts, disbursements, tax and investigative services, facilities and information technology services.

Estate and Personal Trust Services
Administers estates of deceased and missing persons; administers personal trusts; acts as litigation representative; manages the PGT Educational Assistance Fund for persons who were formerly in continuing care; maintains wills and information for people who have named the PGT to be executor of their estates.

Legal Services
Responsible for legal services, information and privacy requests and review of decisions.

Key Statutes

Numerous acts set out the powers and duties of the PGT. Key provincial statutes include:

- *Adult Guardianship Act*
- *Child, Family and Community Service Act*
- *Community Care and Assisted Living Act*
- *Cremation, Interment and Funeral Services Act*
- *Employment Standards Act*
- *Estate Administration Act*
- *Estates of Missing Persons Act*
- *Family Law Act (replaced Family Relations Act on March 18, 2013)*
- *Health Care (Consent) and Care Facility (Admission) Act*
- *Infants Act*
- *Insurance Act*
- *Insurance (Vehicle) Act*
- *Patients Property Act*
- *Power of Attorney Act*
- *Public Guardian and Trustee Act*
- *Representation Agreement Act*
- *Trustee Act*
- *Trust and Settlement Variation Act*
- *Wills Act*
- *Wills Variation Act*

The PGT has a fiduciary duty to advance the private interests of its clients even if they are contrary to the interests of any other organization including the provincial government.

Further information about PGT services and structure is available on the PGT website at www.trustee.bc.ca. The website also includes copies of the PGT annual report which contains audited financial statements and extensive audited information on performance.

A. Corporate Governance

The Public Guardian and Trustee is a corporation sole established under the *Public Guardian and Trustee Act*. This is a corporate legal structure in which all authority and responsibility is vested in a single office holder who may delegate authority and who operates without a board of directors. The status of the organization as a corporation sole establishes the Public Guardian and Trustee as a legal entity independent of government.

Authority is vested in the Public Guardian and Trustee (PGT) who is appointed by the Lieutenant Governor in Council for a fixed six year term (renewable once) to ensure independence. The current office holder is Catherine M. Romanko, who was appointed October 10, 2011. Staff act under authority delegated by the PGT. The PGT reports to the Legislative Assembly through the Minister of Justice and Attorney General.

An Investment Advisory Committee of independent senior external financial advisors is established by statute to advise on investment performance and strategic investment policy.

An Audit Advisory Committee advises the PGT on risk management and audit related issues.

An Executive Committee comprised of the Public Guardian and Trustee, the Deputy Public Guardian and Trustee and directors manages the organization.

As a fiduciary, the PGT is independent of government in its case related decision making responsibilities. By statute, the PGT exercises quasi judicial authority in certain situations. In addition, the PGT provides the court with reliable independent submissions when the property or financial interests of minors, adults with legal disabilities or estates are at risk.

Under the *Public Guardian and Trustee Act,* the PGT is subject to stringent public accountability provisions. These include requirements for annual independent financial audits of both its operating funds and its estates and trusts administered, as well as an independent audit of its annual performance report. These accountability provisions reflect the inability of most PGT clients to effectively monitor service quality or seek alternate service providers.

B. Financing Structure

PGT expenditures are paid from a special account established by the *Public Guardian and Trustee Act* in the Consolidated Revenue Fund. Revenue flowing into the special account is derived from a combination of fees and commissions charged on client assets and income, and voted funding from the government of British Columbia for services where fees would be impractical, inappropriate or insufficient. Fees and commissions account for the majority of PGT funding (currently 67.2% of actual expenditures). Revenue in excess of expenditures is retained in the special account if unspent at year end.

Client services fall into one of two categories of expenditure:

Trust and estate services are those in which the PGT is advancing the private interests of individual clients by managing their assets. This private role is reflected in the complete or high level of cost recovery. In 2011/12, PGT trust and estate services accounted for 67% of total costs while producing 92% of self generated revenue.

Public services are those that reflect social policy interests such as monitoring or oversight and the limited or absence of cost recovery reflects the public nature of these services. In 2011/12, PGT public services accounted for 33% of total costs while producing only 8% of self generated revenue.

All PGT fees and commissions are established by the Lieutenant Governor in Council and set out in the *Public Guardian and Trustee Fees Regulation* (BC Reg. 312/2000) as amended. They are a combination of commissions on income, commissions on capital, and asset management fees. In addition, the PGT charges certain hourly and fixed cost fees for specific services. Third party charges for client related services are charged directly to clients.

C. Clients, Stakeholders and Service Partners

Clients are at the core of all PGT activity.

- Minor children and youth are the majority of PGT clients. Primary groupings include minors who have trust funds, whose guardians wish to settle a claim for damages on their behalf, or children who are in continuing care of the province.

- Adults, particularly seniors, are another major client group. Primary groupings include adults with serious mental disorders or mental illness, developmental disabilities, acquired brain injuries or diseases of aging; adults experiencing abuse, neglect or self neglect; and incapable adults without family who require health care decisions.

- Persons associated with estate administration and personal trust services are another major client group. These include estates of deceased and missing persons and beneficiaries of trusts.

Key PGT stakeholders include family and others in supportive networks of PGT clients. Other PGT stakeholders and service partners are drawn primarily from the legal, financial, health and social services sectors, reflecting the nature of PGT services. The PGT works with a wide range of public bodies and private sector service providers in helping to meet the needs of clients.

- Public sector partners with statutory authority play a major role. Examples include Health Authorities, Community Living BC, Aboriginal Child and Family Service Agencies, Assisted Living Registrar and Ministry of Children and Family Development.

- Private sector service providers vary widely. Examples include care facilities, funeral homes, personal attendants, financial institutions, lawyers, accountants, medical and social services professionals, real property managers and heir tracers.

2. MANDATE OF THE PUBLIC GUARDIAN AND TRUSTEE

Mission

The mission of the PGT is to safeguard and uphold the legal and financial interests of children; manage the legal, financial and personal care interests of adults needing assistance in decision making; and administer the estates of deceased and missing persons.

While the PGT delivers approximately 40 different statutory functions under more than 20 BC laws, the vast majority fall under one of two main roles, either *fiduciary* or *protector*.

As ***fiduciary*** the PGT is responsible for making substitute decisions on behalf of British Columbians who require assistance and/or protection because they are under a legal disability

due to minority or mental incapability. The PGT also acts as fiduciary in the administration of estates and trusts.

As ***protector***, the PGT is responsible for investigating concerns of abuse, neglect or self neglect of persons under legal disability and plays a limited oversight role of third party substitute decision making.

In most instances, individuals become PGT clients through legislation, court order, trust deed or referral. In addition, some choose the PGT as their service provider for personal trusts or estate administration.

PGT daily operations are centred around the following primary business lines.

A. Protecting people under legal disability by reviewing decisions made by others

Under British Columbia law, the PGT screens, investigates, monitors, takes protective measures and otherwise intervenes on behalf of persons under legal disability. Persons under legal disability include minor children by reason of age and adults by reason of mental incapability. The PGT acts to ensure that the legal and property interests of clients are protected. To accomplish this, the PGT reviews a range of applications in legal proceedings, investigates allegations, reviews accounts of private committees and pursuant to regulation, appoints Designated Agencies to investigate and respond to possible abuse, neglect or self neglect of adults.

Activities may include providing comments to the Supreme Court of British Columbia, reviewing proposed litigation settlements, reviewing applications to become private committees, placing restrictions on accounts, applying to court to remove authority from third parties and taking legal action on behalf of a client.

B. Administering property of clients

The PGT is bound by fiduciary obligations to protect and administer property on behalf of clients. The PGT ensures that client needs are met, client property is protected, clients are enabled to access services and client wishes are met to the extent possible. To accomplish this, the PGT secures and manages client assets.

Asset management activities may include physically securing property, determining and collecting income, paying bills, administering personal trusts, investing as a prudent investor, making disbursements for the benefit of clients and distributing trust accounts. In planning and implementing these activities, the PGT seeks to understand the client's context and exercises professional discretion in making quality decisions.

C. Administering estates of deceased and missing persons

The PGT may act as executor or administrator of the estates of deceased persons. As Official Administrator of British Columbia, the PGT administers estates of persons who have died with or without a will when an executor, family member or other eligible person is unwilling to act or is unable to administer the estate. These activities are intended to ensure efficient, orderly intergenerational transfer of wealth.

To accomplish this, the PGT makes funeral arrangements, identifies, secures and deals with estate assets and obtains the legal authority to administer each estate from the Supreme Court of British Columbia. Furthermore, the PGT identifies and pays valid debts and claims, files income tax returns and deals with estate legal matters. Finally, the PGT identifies, locates and distributes the balance of the estate to the lawful heirs and beneficiaries.

The PGT also acts as curator of the estates of missing persons.

D. Making personal and health care decisions

The PGT makes or appoints other substitute decision makers to make health care decisions on behalf of persons who are mentally incapable of providing consent to treatment and who are without a supportive network. The PGT may also be appointed by the court to make other personal care decisions on behalf of incapable adults. This is intended to ensure that client health and safety are protected, client well being is promoted, and known prior capable wishes are respected.

To accomplish this, the PGT arranges client access to services and shelter and makes or participates in client decision making. This may include reviewing client needs, wishes, values and interests, and developing individualized case plans.

E. Educating the public

The PGT recognizes the importance of providing public information and education about the PGT to mitigate the growth in demand for PGT services, facilitate cooperation with service partners and stakeholders and to inform the public about related issues. These activities help professionals to properly apply the law, assist service partners in understanding their responsibilities, encourage appropriate utilization of PGT services, deter financial abuse of incapable and vulnerable persons, and limit growth in demand for PGT services through encouraging responsible private personal planning for incapacity and death.

The PGT has very limited resources for these activities and must balance speaking invitations, requests for information materials and other related needs with its capacity to respond. The PGT seeks to leverage other public education resources in order to achieve maximum efficiency when communicating with clients, service partners, key stakeholders and the public. This may include producing publications and other information materials, making presentations, providing news releases or enhancing the PGT internet presence. In its public awareness

activities, the PGT seeks to ensure that intended audiences are aware of their obligations and rights and become more aware of the PGT and its responsibilities.

F. Applying PGT special expertise to advocate for PGT clients

The PGT supports clients in accessing services and exercising their civil, personal and property rights. This activity requires considerable liaison with service providers and increasingly may include legal action to pursue client rights and entitlements.

At a systemic level, the PGT advocates for improved laws, policy and regulations in its responsibility areas. This may include applying the special expertise of the PGT in analyzing emerging issues and making recommendations regarding policy and legislation to ensure that decision makers are aware of the impact of legislative changes so that the interests of persons under legal disability are taken into account when BC or Canadian laws and policies are developed.

3. OPERATING CONTEXT

The PGT operating environment is currently impacted by a wide range of factors as identified below. These will continue to impact the PGT over the course of the period covered by this service delivery plan.

- Constraints associated with PGT capacity and technology infrastructure will continue to pose enterprise risks and impair service delivery until upgraded. Risks increase significantly each year that implementation of a modern trust accounting system is deferred.

- Demand continues to grow to provide legal services on behalf of clients as part of meeting PGT fiduciary obligations, including individual litigation and increasingly, advancing client claims within class actions, which may involve a legal obligation to incur costs without offsetting revenue.

- Demands associated with public, client, stakeholder and service partner expectations about the nature, quality and service delivery models for PGT services continue to evolve and intensify.

- The international economic slowdown impacts rates of return for investments and the value of client assets, which then impacts PGT revenue.

- The long term transition continues from the PGT acting primarily as a fiduciary, providing direct financial management services to clients, to a role that includes significant investigatory and regulatory responsibilities that are not funded through corresponding revenue from fees and commissions.

- Ongoing changes in the availability of community supports for individuals, coupled with growth in the number of agencies with statutory authority, have made the service environment for PGT clients far more complex and have made supporting PGT clients much more challenging and resource intensive.

- Pressures associated with providing services to Aboriginal clients and First Nations communities continue to grow, particularly that of providing guardianship services to Aboriginal children in continuing care.

- Demographic changes continue to be a major driver in increasing demand for PGT services, particularly in the area of services to seniors with dementia and other diseases of aging.

- Administering client assets has become more complex in that PGT clients represent a diverse and mobile population with assets and family members throughout Canada and the world.

- The growth in financial opportunities or entitlements for specific PGT client groups, such as grants and bonds associated with the federal Registered Disability Savings Plan, has significant PGT resource implications arising from the need for the PGT to apply for benefits and maintain plans on behalf of clients.

- Growing awareness of the incidence and nature of abuse of vulnerable and older adults continues to increase pressure to take protective measures and facilitate community response.

- Unfunded PGT service demands will result from implementation of First Nations treaties as services previously administered under federal jurisdiction will fall under the domain of provincial authority and as the federal government withdraws from service areas.

4. STRATEGIC CONTEXT

The PGT must navigate the following five challenges that have emerged as dominating the strategic context during the three year period covered by this service delivery plan:

A. Implementing new legislation and advocating for law reform
B. Responding to demographic change
C. Upgrading information technology
D. Responding to changing service demands and expectations
E. Employee engagement

A. Implementing new legislation and advocating for law reform

A key focus will continue to be implementing new law which, when combined, will affect the role of the PGT in providing service to all of its major client groups. Implementing each new statute requires developing and implementing changes to business practices, information technology systems, policies and procedures, manuals and public education materials as well as hiring and/or training staff for new duties. It may also require extensive consultation with external service providers such as health professionals.

A new *Limitation Act* which will govern the relevant time periods during which civil claims may be commenced will come into force in June 2013. The new limitation periods may impact the role of the PGT when acting as litigation guardian for clients. The PGT is extensively involved in a wide range of legal activity on behalf of clients and was acting on approximately 7,200 legal files at March 31, 2012.

The PGT is currently implementing the *Family Law Act*, which came into force on March 18, 2013. This legislation modernizes the law governing parentage, family relationships and property rights which will impact PGT clients and the PGT's management of their affairs. In addition, the new Act creates a new more flexible regime for administration of children's property and a process for court appointment of trustees for such property. It authorizes guardians to manage certain property for children in place of the PGT and creates a new obligation for the PGT to review and provide comments to the court concerning trustee appointment applications.

During the period of this service delivery plan, the PGT anticipates proclamation of the *Health Statutes Amendment Act, 2007* which will create a legal consent scheme for admission to care facilities in British Columbia. Under the new legislation, the PGT will assume statutory duties to either authorize temporary substitute decision makers to consent to admission or to make decisions regarding admission to care facilities of incapable adults who have no one with legal authority to provide consent.

The PGT is optimistic that the *Wills, Estates and Succession Act*, 2009, will be brought into force during this three year plan. This legislation will change the fundamental rules of succession and the manner in which deceased estates are administered in British Columbia. The entitlement of PGT clients to share in or administer estates will be impacted as will the role of the PGT as estate executor or administrator. The PGT continues to work with government in developing the associated rules and regulations which enable proclamation of the new law.

Implementation of the court and statutory guardianship provisions of the *Adult Guardianship Act* has been long delayed. The government has committed to the Ombudsperson that it will develop and proclaim legislation to modernize the statutory guardianship framework by July 1, 2014. During fiscal year 2013/14, the PGT must prepare for implementation of certain portions of the *Adult Guardianship and Planning Statutes Amendment Act, 2007*.

Funding implications of delivering the new statutory adult guardianship framework will be significant and cannot be absorbed internally. The PGT will work with government to ensure that resources are available to give force to this law. To this end, the PGT will undertake a comprehensive review of all fees and commissions charged to clients for services pursuant to regulation to support a request for necessary resourcing.

The PGT remains hopeful there will be some increased interest on the part of the government during the period covered by this three year plan to bring the entire modernized legal framework for adult guardianship into force.

In the provincial Budget 2013, the government announced a financial benefit for children born in 2007 or later for whom an RESP is opened prior to their seventh birthday. The BC administrative model for delivering this benefit to children in continuing care has not yet been finalized and the potential remains for this responsibility to be assigned to the PGT. The PGT is currently property guardian for 800 children who are immediately eligible for this benefit. RESPs are outside of the PGT mandate and assigning this work to the PGT would create a significant new unfunded responsibility.

With respect to law reform initiatives, the PGT will continue to advocate for the enactment of a modern definition of public guardianship for children and youth. While the *Family Law Act* defines parental duties of private guardians, it does not address the nature and scope of responsibilities of public guardians of children including the PGT. The PGT will also urge government to enable guardianship of estate protection to be provided to children and youth receiving services from the province under alternative care arrangements.

B. Responding to demographic change

Changing demographics require the PGT to adapt to meet growing demands related to increasing numbers of clients with more complex service needs and greater linguistic and cultural diversity.

The aging population will lead to increased demand for PGT services associated with higher numbers of persons with dementia and other diseases of aging. Managing the assets of adult clients and otherwise responding to their needs is increasingly complex as client assets and support systems may be located outside of the province.

The number of Aboriginal children in BC is growing and also continues to be disproportionately represented among children in care. As coguardian with Aboriginal Child and Family Service Agencies for children in continuing care, the PGT must provide culturally competent service to its Aboriginal child clients.

Relatively high levels of immigration to British Columbia have increased the complexity of providing PGT services in a culturally appropriate manner and have raised client and general public expectations that services may be delivered in several languages. The PGT provides

service in situations involving considerable family conflict and staff must be aware of the implications of cultural and linguistic differences.

C. Upgrading information technology

Information technology needs continue to impact PGT operations including risk management and accountability, service delivery and client expectations. Outdated systems currently constrain PGT capacity to respond adequately to these needs.

Replacing the PGT financial information system with a modern trust accounting system is essential. The PGT administers almost one billion dollars in client trust assets currently supported by an inadequate system that was developed more than 20 years ago, lacks many of the features now considered to be minimum requirements for financial systems and is on an obsolete platform. The PGT anticipates that this replacement project will be supported by government funding in the near future.

The PGT role as legal representative for its clients requires management and retention of a significant volume of legal and financial client records over service periods that can last for decades. The PGT requires a document management system to mitigate risk and to ensure efficient access to critical client information. The PGT is not included in the provincial government information technology network as it maintains separate information technology systems for reasons of independence and confidentiality of client information.

PGT clients and service partners increasingly demand the type of technology facilitated service they receive elsewhere. In particular, they expect to be able to review status of their trust accounts and submit information interactively through the PGT website. The PGT currently has no capacity to accommodate these service demands.

Information technology will also support staff in responding to the increased complexity of client investment management and accountability requirements. Further, it will facilitate serving clients who increasingly have significant personal online presence ranging from banking through to social media.

D. Responding to changing service demands and expectations

There are several groups of British Columbians who could benefit from but do not have access to PGT services. Major categories include vulnerable but capable adults and children in continuing care who could benefit from some services after they transition into adulthood.

Vulnerable capable adults may benefit from support in managing their financial and legal interests but are ineligible for PGT services because of the PGT's limited operational capacity. While individuals may still be legally capable, they may perhaps be in the early stages of dementia. Other adults, who may be legally incapable of managing their affairs, may still be declined PGT services because they have only limited assets such as a disability pension. The

PGT can be of limited assistance to these individuals who would still be required to pay fees and commissions for services.

The PGT is seeking innovative approaches to providing some degree of assistance under authorities with limited scope to clients who do not require or are not eligible for full service.

Youth transitioning from care of the province to adulthood and independent life also have unmet needs. The PGT is guardian of estate for children in continuing care, however, its authority currently ends when a child turns 19 years of age. Youth in care moving onto independent adult life could benefit from assistance in such matters as financial literacy training or managing Registered Disability Savings Plans. While the need to end PGT services to these vulnerable youth is inconsistent with evolving policy and practice in other areas of provincial services, the PGT is unable to provide post majority services without funding and a clear mandate to provide them.

Young people, for whom the PGT acts as trustee, would also benefit from additional training and education with respect to financial literacy skills prior to the age of majority. The PGT is working in partnership with other organizations to support increased financial literacy directed at youth.

E. Employee engagement

PGT clients, their families and service partners expect accurate, equitable, high quality services delivered within reasonable time frames. Maintaining public confidence in the PGT is essential to its effectiveness and cost efficiency. Engaged PGT staff and their specialized expertise are the organization's key resource and are critical to maintaining this confidence and protecting the interests of PGT clients.

The PGT faces numerous challenges to maintaining skilled engaged staff. A key challenge is that of addressing high caseloads, heightened regulatory and accountability requirements and client and service partner expectations. The complex PGT service environment requires training to support staff in meeting new legislative and policy requirements.

The PGT also faces significant competition in recruiting staff with specialized skills in the legal, financial and social services sectors. This is related to coinciding challenges in ensuring knowledge transfer and succession planning in face of an aging workforce.

The PGT has implemented several measures to increase employee engagement including health and wellness activities, leadership development and improved recognition of staff. It is committed to continuous service improvement including applying staff experience and expertise to improve service through more efficient and effective business processes and has embraced LEAN methodology as a strategy to achieve this end.

5. STRATEGIC RISKS AND OPPORTUNITIES

The PGT acts in a broad range of fiduciary, statutory and court ordered roles and maintains an extensive internal control environment to respond to the legal, financial and other risks associated with its duties. The PGT mitigates risk through enhanced processes developed through its Enterprise Risk Management Framework (ERM). These risk mitigation strategies include planning and implementing internal controls and other risk management activities based on the assessed level of risk, due consideration of resource constraints, and risk tolerance levels commensurate with the PGT duty as a fiduciary.

The following summarizes the most significant specific risks the PGT faces, as identified and assessed through the ERM process, and outlines some of the major strategies employed to mitigate these risks. This summary of key risks does not describe all potential risks facing the PGT nor all of the related controls and mitigation strategies.

Resourcing

- The PGT requires adequate funding to perform its statutory duties. As an organization which generates two thirds of its funding from fees and commissions, the PGT may be at risk if new duties are imposed without corresponding funding or if market fluctuations negatively impact commission based income.

- The PGT mitigates these risks by identifying resource impacts when commenting on proposed legislation, making appropriate budget submissions and reprioritizing existing activities as required.

Externally Imposed Legislative and Policy Change

- The PGT may be significantly impacted by legislated and externally imposed policy changes that impact PGT workload or demand for PGT services. This includes changes impacting other organizations that secondarily impact the PGT.

- The PGT mitigates this risk by seeking resources for new responsibilities and reviewing its activities to identify possible opportunities to create capacity for new responsibilities by reprioritizing existing activities.

Information Technology

- The PGT requires an adequate, reliable information technology infrastructure and systems to meet its business needs. This area is currently at risk due to an antiquated trust accounting system that does not meet modern accountability requirements and for which qualified technical staff are no longer available.

- The PGT mitigates this risk to client assets by continuing to seek funding from government for a modern trust accounting system to replace the outdated system.

Records Management

- The PGT requires reliable access to current and past client information to carry out its fiduciary duties. This access could be at risk due to data being stored in different formats.

- The PGT is planning to secure a document management system in the future as part of continued development of its information technology infrastructure. The PGT also mitigates this risk through staff training.

Staffing

- The PGT requires specialized skills to perform its duties and would be at risk if it did not have adequate numbers of staff and/or staff with adequate skills and experience. This could occur due to recruitment limitations and the departure or retirement of experienced staff.

- The PGT has an ongoing commitment to improve employee engagement to enhance recruitment and retention, including prioritizing leadership training at all levels.

Training

- The PGT would be at risk if its employees were not sufficiently trained to adequately perform their duties. This could occur because of the need to implement new legislation which affects service delivery or because of inconsistent core training programs.

- The PGT has a corporate training committee and is developing guidelines for a training program that identifies core training requirements and provides for consistent and ongoing employee training.

Management Information

- The PGT requires reliable management information to satisfy corporate needs such as planning, financial and staff management and statutory reporting and audit requirements which could be at risk due to incomplete, inaccurate or untimely financial and/or performance information.

- The PGT mitigates this risk by establishing and monitoring key performance indicators in its service delivery plan and in new initiatives and by continuing to develop its case management system.

Demographic Change

- As described in the Strategic Context section, the PGT requires adequate resources to respond to needs associated with changing demographics. These impacts include increased demand for PGT services associated with dementia and other diseases of aging and also demand associated with increased cultural and linguistic diversity.

- The PGT mitigates this risk by monitoring workload and making appropriate budget submissions for resources to maintain service levels. The PGT has translated many of its information materials into key languages.

Priority Setting and Capacity Planning

- The PGT has extensive duties in several program areas and has limited organizational capacity to plan and/or implement new or changing priorities. These may include the need to implement new legislation and other externally determined initiatives and timelines.

- The PGT mitigates this with its ongoing business planning processes that prioritize current and new initiatives within both organizational capacity and overall strategic directions of the organization.

6. PERFORMANCE MEASURES

A. Benchmarking

The PGT is a unique organization largely without private sector comparators and with limited comparability to public bodies in BC and other jurisdictions. Because of its responsibilities, blend of services and unique legal status, PGT access to generally accepted benchmarks is limited. Public guardian and public trustee agencies in other jurisdictions each have some responsibilities and services or elements of them in common with the PGT but all have significant differences.

The PGT uses third party benchmarks in assessing the performance of its pooled investment funds.

In accordance with the *Public Guardian and Trustee Act*, the PGT annual performance report is subject to an independent audit to provide third party assurance on the reported results and the PGT is able to make comparisons of its own past performance using this information.

B. Performance Measures

Goal # 1:
PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

Objectives	Performance Measures				Targets		
			2011/12 Actual	2012/13 Forecast	2013/14	2014/15	2015/16
1.1 Disbursements from children's trusts will be made in a timely manner	1.1.1	Percentage of disbursements from children's trusts that are completed within 15 calendar days of request by the guardian or client	95%	90%	90%	90%	90%
1.2 Legal, financial and property interests and assets of clients will be identified, secured and managed in a timely and prudent manner	1.2.1	Percentage of critical incident reports in respect of children in continuing care that are reviewed and have action initiated by the PGT within 60 calendar days of receipt	99%	95%	95%	95%	95%
	1.2.2	Percentage of personalized case plans (covering property, effects, legal issues and living arrangements) that are developed and implemented for new adult clients within six months of PGT appointment as Committee of Estate	79%	80%	80%	80%	80%
	1.2.3	Percentage of adult client trust receipts that are processed within five business days	93%	90%	90%	90%	90%
	1.2.4	Percentage of adult client disbursements processed within 15 business days	95%	95%	95%	95%	95%

Goal # 1:
PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

Objectives	Performance Measures			Targets		
		2011/12 Actual	2012/13 Forecast	2013/14	2014/15	2015/16
1.3 Assets of client estates will be identified, secured and administered in a timely manner	1.3.1 Physical assets of new deceased estates secured within 15 calendar days of notification of death	91%	75%	75%	75%	75%
	1.3.2 Assets listed on the Client Inventory Report will be input into the trust accounting system within 5 business days of receipt of the work order	NA	75%	80%	85%	85%
1.4 Estate distributions will be made to heirs and beneficiaries	1.4.1 Percentage of deceased estate funds that are distributed to heirs and beneficiaries rather than transferred to the BC Unclaimed Property Society	94%	85%	85%	85%	85%
1.5 Client investments will be handled prudently	1.5.1 Investment returns for all three pooled funds match or exceed established benchmarks	Three of the three funds met or exceeded their benchmarks at March 31, 2012	Match or exceed established benchmarks	Match or exceed established benchmarks	Match or exceed established benchmarks	Match or exceed established benchmarks
	1.5.2 Percentage of investment plans subject to review that are completed within the year	95%	95%	95%	95%	95%

Goal # 2:
PERSONAL INTERESTS OF PGT CLIENTS WILL BE PROTECTED

Objectives	Performance Measures			Targets		
		2011/12 Actual	2012/13 Forecast	2013/14	2014/15	2015/16
2.1 The personal needs of child and youth clients will be protected	2.1.1 For children and youth where ongoing assistance with day to day maintenance has been approved, personalized expenditure plans will be developed and implemented within 20 calendar days of receiving all decision making information and then annually reviewed	95%	90%	90%	90%	90%
2.2 The personal interests and health care needs of adult clients will be addressed	2.2.1 Percentage of Committee of Person adult clients who are annually visited by PGT staff	98%	95%	95%	95%	95%
	2.2.2 Percentage of major health care substitute decisions for adults made within three business days of all relevant information being received	98%	95%	95%	95%	95%

Goal # 3:
STATUTORY PROTECTIVE AND MONITORING SERVICES WILL BE DELIVERED IN AN APPROPRIATE, TIMELY AND FAIR MANNER

Objectives	Performance Measures			Targets		
		2011/12 Actual	2012/13 Forecast	2013/14	2014/15	2015/16
3.1 Settlement reviews of legal claims of children and youth will be carried out in a timely manner	3.1.1 Percentage of proposed minors' settlements $5,000 and over that are reviewed and the parties advised of the PGT position within 60 calendar days once all relevant information has been received	98%	90%	90%	95%	95%
	3.1.2 For minors' settlements under $5,000, the average number of calendar days to review and advise of the PGT position regarding proposed settlements once all relevant information has been received	12 days	20 days	20 days	20 days	20 days
3.2 The PGT will act to protect the assets of adults at risk for abuse, neglect and self neglect	3.2.1 Percentage of cases where, on confirming that the assets of an apparently abused or neglected adult unable to seek support and assistance are at significant risk and in need of immediate protection, protective steps are taken within one business day under section 19 of the *Public Guardian and Trustee Act*	98%	95%	95%	95%	95%
	3.2.2 Average age of Private Committee accounts that have been submitted for passing and are awaiting PGT decision *(inactive pending program review and development of a replacement performance measure)*	4.8 months	5 months	NA	NA	NA

Goal # 4:
THE PGT WILL CONTRIBUTE TO PUBLIC AWARENESS, POLICY DEVELOPMENT AND LAW REFORM INITIATIVES TO PROMOTE THE INTERESTS OF PGT CLIENTS

Objectives	Performance Measures			Targets		
		2011/12 Actual	2012/13 Forecast	2013/14	2014/15	2015/16
4.1 The PGT will make relevant, useful and affordable recommendations to government for law reform affecting clients	4.1.1 Make a submission to the Attorney General outlining recommendations regarding replacing the common law rule which provides that an owner of a dog who had no way of knowing that the dog had a tendency to bite would not be liable the first time the dog bit someone	NA	NA	Submission made to the Attorney General by March 31, 2014	TBD	TBD
4.2 The PGT will promote an understanding of its role among clients, service partners, stakeholders and the public	4.2.1 PGT role explained by PGT representatives at stakeholder and service partner conferences, events and other public education forums	71 presentations	65 presentations	65 presentations	65 presentations	65 presentations

Goal #5:
THE PGT WILL DELIVER HIGH QUALITY CLIENT CENTRED SERVICES

Objectives	Performance Measures			Targets		
		2011/12 Actual	2012/13 Forecast	2013/14	2014/15	2015/16
5.1 The PGT will meet client expectations for quality, equitable and accessible services	5.1.1 Percentage of heirs and beneficiaries responding to survey who rated administration services for deceased estates as good or very good	96%	85%	85%	85%	85%
	5.1.2 Percentage of stakeholders reporting satisfaction with PGT legal services (stakeholder group varies annually)	100%	75%	80%	80%	80%

7. FINANCIAL CONTEXT

Summary Financial Outlook

Operating cost projections have been prepared on the basis of information available to the PGT as of March 19, 2013. Any changes that may occur after that date are not included. Amounts are stated in 2012/13 dollars.

- The budget amounts for 2013/14 and 2014/15 reflect anticipated operations except as noted below. The allocations for 2015/16 are flat lined.
- There are 250 funded employee positions.
- Benefits have been included at 24% of salaries (including leave liability) in 2013/14 and 25% in 2014/15.
- Leave liability amounts have been calculated as 0.786% of salaries throughout the period.
- The Sixteenth BCGEU Master and Component Agreement was ratified November 7, 2012. The two year agreement expires March 31, 2014 and provides a wage increase of 4% over the life of the agreement. The financial impact of this settlement is included.
- The collective agreement between the province and the BC Crown Counsel Association has a 12 year term commencing April 1, 2007 and expiring March 31, 2019. The incremental percentage is 1.27% each year in addition to percentage compensation parity with the Provincial Court Judiciary. This increase, while known, has not been included in the PGT salary projections.
- Salary projections for management staff have remained constant.
- All fees and commissions and other charges earned are recognized as cost recoveries and will match client fee amounts collected with the costs of the related services provided.
- Implementation of children's small property provisions contained in the *Family Law Act* will generate a revenue loss to the PGT in March 2013. Financial implications to PGT are estimated at $0.097M in 2013/14 and $0.095M in 2014/15.
- A new *Limitation Act* will come into force in June 2013 and may impact the role of the PGT when acting as litigation guardian. The financial impact is assumed to be minimal and will be absorbed by the PGT's current operating budget.

- Due to uncertainties surrounding the nature and timing of legislation such as proclamation and enactment, there has been no allowance for the financial implications resulting from:
    - *Wills, Estates and Succession Act, 2009* (WESA) expected to be proclaimed and implemented during this three year plan and will generate a revenue loss to the PGT; and
    - *Health Statutes Amendment Act, 2007* (Bill 26) will repeal and replace Part 3 of the *Health Care (Consent) and Care Facility (Admission) Act* and introduce a consent scheme for admission to care facilities in BC. Financial implication for the PGT will have to be addressed prior to implementation.
- Implementation of a new financial benefit related to RESPs for children announced in the provincial Budget may impact the role of the PGT as property guardian. There has been no allowance for the financial implication of this new role which is anticipated to be significant.
- In response to recommendations by the Ombudsperson, government has committed to implementing a modernized adult statutory guardianship framework by July 1, 2014. Funding costs will be significant and cannot be absorbed internally.
- The PGT will complete a comprehensive review of fees and commissions charged to clients pursuant to regulation in the fall of 2013. This review will include any changes anticipated as the result of implementation of new law including the statutory adult guardianship framework.
- PGT voted funding is provided in accordance with amounts established by the Ministry of Justice and Attorney General in its three year service plan in the amount of $8.893M in 2013/14 and ongoing.
- Capital funding of $0.382M in 2013/14 and $0.363M in 2014/14 has been included throughout the period.

A. Operating Cost Projections for 2013-2014 through 2015-2016

Program	2013-2014			2014-2015			2015-2016		
	External Recoveries	Operating Expenditure	Net	External Recoveries	Operating Expenditure	Net	External Recoveries	Operating Expenditure	Net
	All amounts are quoted in thousands of dollars								
Trust and Estate Services [1]									
Services to Adults	8,878	10,679	(1,801)	9,023	10,771	(1,748)	9,023	10,771	(1,748)
Estate and Personal Trust Services	4,050	3,593	457	4,136	3,625	511	4,136	3,625	511
Child and Youth Services	848	2,141	(1,293)	848	2,157	(1,309)	848	2,157	(1,309)
Public Services [2]									
Services to Adults	577	3,197	(2,620)	567	3,225	(2,658)	567	3,225	(2,658)
Estate and Personal Trust Services	-	103	(103)	-	105	(105)	-	105	(105)
Child and Youth Services	747	4,984	(4,237)	729	5,018	(4,289)	729	5,018	(4,289)
Voted Funding			8,893			8,893			8,893
Other Recoveries			704			705			705
Net Recovery (Expense)			-			-			-
Projected permanent FTEs			250			250			250

1 Trust and Estate Services include Client Services and Estate Liaison in Services to Adults; Estate and Personal Trust Services; and Trust Services in Child and Youth.

2 Public Services include Adult Guardianship [Health Care Consent; Community Liaison and Response to Abuse and Neglect]; Assessment and Investigation and Private Committee Services in Services to Adults; Guardianship to children in care, Infant settlements and other legal reviews in Child and Youth Services; and Public Inquiry in Estate and Personal Trust Services.

B. Special Account Summary

	Public Accounts	Estimates	Service Delivery Plan		
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Special Account equity beginning balance	**$24,412**	**$25,094**	**$25,094**	**$25,094**	**$25,094**
Operating Expenditure	(25,020)	(24,108)	(24,697)	(24,901)	(24,901)
External Recoveries	16,842	15,215	15,804	16,008	16,008
Transfer from Ministry Vote	8,860	8,893	8,893	8,893	8,893
Net recovery (Expense)	682	0	0	0	0
Special Account Equity Ending Balance	**$25,094**	**$25,094**	**$25,094**	**$25,094**	**$25,094**

8. CONTACT INFORMATION

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